

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6567

BILL NUMBER: HB 1456

NOTE PREPARED: Feb 28, 2005

BILL AMENDED: Feb 28, 2005

SUBJECT: Investments by Political Subdivisions.

FIRST AUTHOR: Rep. Murphy

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) This bill allows a county treasurer and the fiscal officer of any political subdivision to invest or reinvest funds in obligations issued, assumed, or guaranteed by the State of Israel. The bill also provides that investments made in obligations issued, assumed, or guaranteed by the State of Israel must have a stated final maturity of not more than five years.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: This bill will expand the investment options of county treasurers and the fiscal officer of any political subdivision to include obligations issued, assumed, or guaranteed by the State of Israel. Current law limits the investment options of the fiscal officers to securities fully guaranteed by a federal agency, instrumentality, and government-sponsored enterprise. The impact of this proposal on funds held by local entities is unknown.

State Agencies Affected:

Local Agencies Affected: County treasurers and other local fiscal officers.

Information Sources:

Fiscal Analyst: Valerie Ruda, 317-232-9867.